



SECTION-BY-SECTION HIGHLIGHTS
Conference Report (SB 1095 CR-1)
House Passed Committee (HB 5789)
Executive Recommendation and Senate-Passed (SB 1095)
FY 2005-06 and FY 2006-07

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SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
Sec. 3(1) Average Daily Attendance	Defines "Average Daily Attendance" as being 92% of the membership as defined in Section (6)(4). Excludes pupils described in Sec. 6(4)(cc).	Technical change recommended, to exclude pupils in Sec. 6(4)(bb) rather than (cc).	Concurs with Executive.	Concurs with the Executive and Senate.	Concurs with Senate and House.
Sec. 6(1) Definition of "Center Program"	Defines the term "center program" to include references to autistically impaired, trainable mentally impaired, severely mentally impaired, severely multiply impaired, hearing impaired, physically or otherwise health impaired, and visually impaired.	Changes these references to pupils with autism spectrum disorder, pupils with severe cognitive impairment, pupils with moderate cognitive impairment, pupils with severe multiple impairments, pupils with hearing impairment, pupils with visual impairment, and pupils with physical or other health impairment.	Concurs with Executive.	Concurs with the Executive and Senate.	Concurs with Senate and House.
Sec. (6)(4)(r) Developmental Kindergarten	Provides that full-time kindergarten equates to 549 hours. Also states that beginning in FY 2006-07, children eligible for kindergarten but instead are enrolled in pre-k, developmental-k, or similar classes shall not be counted as pupils in membership, but instead the costs associated with educating such pupils shall be reported and reimbursed under Sec. 31b.	Removes the language requiring developmental kindergarten pupils to not be counted in membership.	Concurs with Executive.	Concurs with the Executive and Senate.	Concurs with Senate and House.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
Sec. 6(4)(aa) Hurricane Evacuee Memberships	Allows the department to adjust a district's pupil count for FY 2005-06 only, to include in the count any pupils evacuated from another state and relocated in Michigan within 60 days after the count day.	Removes this subsection.	Concurs with Executive.	Concurs with the Executive and Senate.	Concurs with Senate and House.
Sec. 6(4)(CC) – NEW Pupils Starting After Labor Day in ISD Programs Starting Before Labor Day	N/A	N/A	N/A	N/A	New subsection was added stating that a pupil of a district that begins its school year after labor day who is enrolled in an ISD program that begins before labor day shall not be considered to be less than a full-time pupil solely due to instructional time scheduled but not attended by the pupil before labor day.
Sec. 6(7) Pupil Membership Count Day	Requires the count day be held on the fourth Wednesday in September each school year.	Changes the count day to the fourth Wednesday following Labor Day each school year.	Concurs with Executive.	Concurs with the Executive and Senate.	Concurs with Senate and House.
Sec. 6(8) Expelled Students Counted in Membership	Allows a student absent on count day to be counted in membership if the student returns to school within 30 days of the count day, and an expelled student 45 days.	Expands the expelled student provision to include pupils suspended on the pupil membership count day or supplemental count day.	Concurs with Executive.	Concurs with the Executive and Senate.	Concurs with Senate and House.
Sec. 11(1) Total Appropriations	School Aid Fund (SAF) FY 2004-05 SAF appropriation of \$10,907,222,200 and FY 2005-06 SAF appropriation of \$11,257,350,000. General Fund (GF/GP) FY 2004-05 GF/GP appropriation of \$165,200,000 and	School Aid Fund (SAF) Revised FY 2005-06 SAF appropriation of \$11,247,363,200 and FY 2006-07 appropriations of \$11,671,277,800. General Fund (GF/GP) FY 2006-07 appropriation of \$35,000,000.	School Aid Fund (SAF) Revised FY 2005-06 SAF appropriation of \$11,205,863,200 and FY 2006-07 appropriations of \$11,668,853,000. General Fund (GF/GP) FY 2006-07 appropriation of \$35,000,000.	School Aid Fund (SAF) Revised FY 2005-06 SAF appropriation of \$11,200,830,200 and FY 2006-07 appropriations of \$11,691,116,500. General Fund (GF/GP) FY 2006-07 appropriation of \$45,000,000.	School Aid Fund (SAF) Revised FY 2005-06 SAF appropriation of \$11,200,813,200 and FY 2006-07 appropriations of \$11,647,508,200. General Fund (GF/GP) FY 2006-07 appropriation of \$35,000,000.

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	FY 2005-06 GF/GP appropriation of \$62,714,000.	Sections Exempt from Proration Adds Sec. 31f (School Breakfast) to the list of sections exempt from proration.	Sections Exempt from Proration Concurs with Executive.	Sections Exempt from Proration Concurs with the Executive and Senate.	Sections Exempt from Proration Concurs with Senate and House.
Sec. 11a School Aid Stabilization Fund	Provides for the creation of the SASF which receives unexpended SAF revenue and money statutorily dedicated. For FY 2004-05 and FY 2005-06, the SASF transferred the amount necessary to fully fund the allocations in the Act to the SAF.	Updates the year to FY 2006-07.	Concurs with Executive.	Concurs with the Executive and Senate.	Concurs with Senate and House.
Sec. 11f Durant Cash Payment	Appropriates \$32,000,000 for FY 2005-06.	FY 2006-07 appropriation of \$32,000,000.	Concurs with Executive.	Concurs with the Executive and Senate.	Concurs with Senate and House.
Sec. 11g Durant Bonding Payment	Appropriates \$34,961,000 GF/GP in FY 2005-06 to districts to make their "Durant" bond payment.	FY 2006-07 appropriation of \$34,961,000. Changes the funding source from general fund to the appropriation in section 11.	Concurs with Executive.	Concurs with the Executive and Senate.	Concurs with Senate and House.
Sec. 11j School Bond Loan Fund	FY 2004-05 appropriation of \$41,100,000 and FY 2005-06 appropriation of \$44,500,000 (paid with proceeds of capitalization of the school bond loan fund revolving fund) for debt service from the school bond loan program.	FY 2006-07 appropriation of \$48,000,000 from the appropriation in section 11.	Concurs with Executive.	Concurs with the Executive and Senate.	Concurs with Senate and House.
Sec. 11k School Loan Revolving Fund	Appropriates for FY 2004-05 and 2005-06 from the General Fund to the SLRF an amount equal to the amount of school bond loans assigned to the Michigan Municipal Bond Authority.	Updates the year to FY 2006-07.	Concurs with Executive.	Concurs with the Executive and Senate.	Concurs with Senate and House.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
Sec. 11M – NEW Reimbursement for Fingerprinting	N/A	N/A	Appropriates \$3,500,000 for 2006-07 to reimburse districts for costs associated with re-fingerprinting school personnel who have previously paid for fingerprinting and background checks from 1-1-93 to 12-31-05.	Appropriates in FY 2006-07 \$3,500,000 is School Aid Funds to reimburse school districts and ISDs and up to \$200,000 in general funds to reimburse nonpublic school employees for costs associated with re-fingerprinting school personnel who were required by statute to be finger printed and who have previously paid for fingerprinting and background checks from 1-1-93 to 12-31-05.	Not included.
Sec. 11N – NEW Cash-Flow Borrowing	N/A	N/A	Appropriates \$22,800,000 for FY 2006-07 to pay for costs associated with cash-flow borrowing related to the School Aid Fund. These costs were formerly paid for with General Fund dollars.	Not included.	Concurs with Senate; renumbered to Section 11M.
Sec. 14 Defective Returns	Provides that if the returns from an ISD or district upon which a statement of the amount to be disbursed or paid are defective, then the Department shall withhold the amount that cannot be ascertained.	Replaces the word "returns" with "data" and clarifies "defective" to "deemed to be defective or incomplete".	Concurs with Executive.	Concurs with the Executive and Senate.	Concurs with Senate and House.
Sec. 15 Adjustments to Apportionments	Provides for adjustments in apportionments to be made in the next monthly payment. Also appropriates an amount equal to the collection of prior year overpayments to cover prior year obligations in excess of appropriations. In other words, "payables" and "receivables".	Removes the words "prior year" (preceding) "obligations", "appropriations", and "overpayments", and updates the year of the appropriations for payables and receivables to FY 2006-07.	Concurs with Executive.	Concurs with the Executive and Senate.	Concurs with Senate and House.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
Sec. 17a Withholding Payments	Allows the Department to withhold all or part of a payment for financing of an outstanding defaulted obligation. The State Treasurer also can withhold funds to the extent authorized under Sec. 15 of the School Bond Qualification, Approval, and Loan Act.	Includes a technical MCL reference for the School Bond Qualification, Approval, and Loan Act, 2005 PA 92, MCL 388.1935.	Concurs with Executive.	Concurs with the Executive and Senate.	Concurs with Senate and House.
Sec. 17b Payment Schedule	Provides for 11 monthly state aid payments.	Changes the word "statement" to "electronic files" in this section, referring to the preparation of the amount to be distributed to districts.	Concurs with Executive.	Concurs with the Executive and Senate.	Concurs with Senate and House.
Sec. 18 Expenditures Guidelines and Financial Audits	Provides that not more than 20% of foundation allowance funding may be used for capital projects or debt service. Also requires financial audits and special education cost reports, and submission of those items to CEPI.	Adds a new subsection (2) requiring districts and ISDs to post the annual operating budget or revisions to same on their websites within 30 days of adoption or revision. If a district does not have a website, it shall post the budget to the ISD's site. Also cleans up outdated language re: the pupil accounting and pupil auditing manuals.	Concurs with Executive and includes a clarification that an ISD may post its constituent districts' budget information.	Concurs with the Executive and Senate changes.	Concurs with Senate and House.
Sec. 19 Compliance with PA 25 of 1990 and Submission of Progress Reports	Requires districts to comply with sections 1204a, 1277, 1278, and 1280 of the Revised School Code. Also requires various educational reports submitted to CEPI.	Changes the word "provide" to "make available" referencing information on the required implementation of the School Code sections listed. Strikes the clause "necessary for the development of an annual progress report".	Retains Current Law.	Concurs with Senate.	Concurs with Senate and House.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
Sec. 20 Foundation Allowance Calculation	<p>(1) Basic Foundation Allowance for FY 2005-06 is \$6,875.</p> <p>(13 and 14) States the minimum increase in the foundation should be at least the foundation index determined at the revenue consensus conference, but for FY 2004-05 the index shall be 1.0.</p> <p>(15) Intent requiring a GF/GP amount sufficient to support pupil membership growth in excess of 101% of the previous year membership.</p>	<p>(1) Sets the FY 2006-07 Basic Foundation Allowance at \$7,075.</p> <p>(14) Eliminates the subsection requiring the basic foundation allowance to increase by the index determined in (13).</p> <p>(15) Eliminates the subsection.</p>	<p>(1) Sets the FY 2006-07 Basic Foundation Allowance at \$7,100.</p> <p>Retains Current Law.</p> <p>Retains Current Law.</p>	<p>(1) Sets the FY 2006-07 Basic Foundation Allowance at \$7,105 and reinstates the foundation to \$6,875 if the K-16 ballot initiative is adopted.</p> <p>Retains Current Law.</p> <p>Retains Current Law.</p>	<p>(1) Sets the FY 2006-07 Basic Foundation Allowance at \$7,085; K-16 language not included.</p> <p>Concurs with Senate and House.</p> <p>Concurs with Senate and House.</p>
Sec. 20(18) - NEW Foundation Allowance Adjustments	N/A	New subsection added to make permanent foundation allowance adjustments for districts that in 1993 levied deficit mills, where the revenue from those mills was not included in the calculation of the districts' 1993-94 base per-pupil amounts. Seven districts are affected by this – Clintondale (\$1.1 m), Pontiac (\$1.5 m), Madison (\$0.5 m), Detroit (\$6.4 m), Garden City (\$0.8 m), Highland Park (\$0.9 m), and Huron (\$0.5 m).	Renumbers Sec. 20(20) and Senate appropriates \$500,000 for Garden City School District.	Not included.	<p>Concurs with the Senate on Sec. 20(20) but at \$800,000.</p> <p>Conference adds Sec. 20(21) which provides \$500,000 to Huron Schools district.</p>
Sec. 20(20) Current Law – Detroit Public Schools	Provided the school board "takeover" adjustment to DPS' foundation allowance from FY 2002-03 through 2004-05.	Removes this subsection since it will be unnecessary for FY 2006-07.	Concurs with Executive to remove the language related to Detroit.	Concurs with Executive and Senate to remove the language related to Detroit.	Concurs with Senate and House.
Sec. 20(21) & (22) –	N/A	N/A	Subsection (21) provides a	Not included.	Not Included.

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NEW Foundation Allowance Adjustments			<p>\$100 placeholder to adjust the foundation allowance of a district who failed to approve a 4.38 millage override in 1993. This affects the Wyandotte School District.</p> <p>Subsection (22) provides a \$100 placeholder to adjust the foundation allowance of a district who had a millage reduction in 1993 of 4.91 mills. This affects the Chippewa Valley School District.</p>	Not included.	Not included.
Sec. 20j	Provides funding to districts above the hold-harmless cap reflection the difference between inflationary increases (where such districts are capped) and actual dollar increases given in the basic foundation allowance.	Date change is recommended to continue funding in FY 2006-07.	Concurs with Executive.	Concurs with the Executive and Senate.	Concurs with Senate and House.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
Sec. 22a Proposal A Obligation Payment (The Constitutionally required portion of the foundation allowance.) Discretionary	FY 2004-05 appropriation of \$6,615,000,000 and FY 2005-06 appropriation of \$6,459,000,000.	Reduces the FY 2005-06 appropriation to \$6,407,500,000 to incorporate the savings due to pupil estimates and taxable values, and assumes savings of \$19,800,000 from PPT audits and \$8,000,000 from enhanced audits, plus \$2,300,000 in taxable value costs from utility tax table negotiations. Appropriates \$6,214,000,000 for FY 2006-07, which includes savings of \$0 from PPT audits and \$18,900,000 from enhanced audits, and an increased cost of \$12,400,000 to fund taxable value changes from utility tax table negotiations.	Concurs with Executive. Concurs with Executive.	Reduces the FY 2005-06 appropriation to \$6,407,000,000 to incorporate the savings due to pupil estimates and taxable values, and assumes savings of \$19,800,000 from PPT audits and \$4,500,000 from enhanced audits, plus \$3,300,000 in taxable value costs from utility tax table negotiations. Appropriates \$6,209,200,000 for FY 2006-07, which includes savings of \$9,300,000 from PPT audits and \$18,900,000 from enhanced audits, and an increased cost of \$13,400,000 to fund taxable value changes from utility tax table negotiations.	Concurs with House. Appropriates \$6,207,000,000 for FY 2006-07, which includes savings of \$9,300,000 from PPT audits and \$18,900,000 from enhanced audits, and an increased cost of \$13,400,000 to fund taxable value changes from utility tax table negotiations.
Sec. 22b(1) Payment (The discretionary portion of the foundation allowance.)	FY 2004-05 appropriation of \$2,923,200,000 and FY 2005-06 appropriation of \$3,197,736,800.	FY 2005-06 appropriation is adjusted to \$3,217,550,000 to reflect changes in pupil estimates. FY 2006-07 appropriation of \$3,577,000,000, reflecting the increase in the basic foundation allowance and the \$12,000,000 cost of adjusting the seven districts' foundation allowances per Sec. 20(18).	Concurs with Executive. FY 2006-07 appropriation of \$3,604,550,000 reflecting the increase in the basic foundation allowance.	FY 2005-06 appropriation is adjusted to \$3,217,000,000 to reflect changes in pupil estimates. FY 2006-07 appropriation of \$3,616,000,000 reflecting the increase in the basic foundation allowance	FY 2005-06 concurs with House. FY 2006-07 appropriation of \$3,585,100,000 reflecting the increase in the basic foundation allowance and two districts' foundation allowance adjustments. Includes language stating that in order to receive funding under this section, they must comply with Sections 1278a and 1278b of the Revised School Code (Michigan Merit

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					Curriculum) and Section 1230g of the Revised School Code (School Safety).
Sec. 22 C – NEW Equity Payment	N/A	N/A	Appropriates \$41,200,000 for FY 2006-07 to provide an equity payment of up to \$60 per pupil for districts whose 2006-07 foundation allowance is below \$7,160 to bring them up to a minimum foundation allowance of \$7,160. The amount of this equity payment shall be added to each district's base foundation allowance for calculation purposes beginning with the 2007-08 fiscal year.	Appropriates \$35,200,000 for FY 2006-07 to provide an equity payment of up to \$35 per pupil for districts whose 2006-07 foundation allowance is below \$7,480. Adds intent language that the amount of the equity payment shall be added to each district's base foundation beginning with the 2007-08 fiscal year.	Appropriates \$20,000,000 for FY 2006-07 to provide an equity payment of up to \$23 per pupil for districts whose 2006-07 foundation allowance is below \$7,360. Adds intent language that the amount of the equity payment shall be added to each district's base foundation beginning with the 2007-08 fiscal year.
Sec. 22d Supplemental funding to Small, Isolated Districts	Appropriates up to \$750,000 out of Sec. 22b for FY 2005-06 to certain small, geographically isolated districts.	Updates the year to FY 2006-07.	Concurs with Executive.	Concurs with the Executive and Senate.	Concurs with Senate and House.
Sec. 22E - NEW Supplemental Foundation Allowance Payment for FY 2005-06	N/A	Appropriates \$41,500,000 in FY 2005-06 for an extra \$25 per membership pupil, considered foundation allowance dollars.	The Senate substitute does not include the additional \$25 per pupil payment for FY 2005-06; however, does use the Section as a \$100 place holder for adjusting the foundation allowances of districts with deficit operating budgets.	Not Included.	Concurs with House.
Sec. 24 Court-Placed Pupils	FY 2005-06 appropriation of \$8,000,000.	FY 2006-07 appropriation is increased by \$2,000,000 to \$10,000,000. Outdated FY 2005-06 language is removed.	Concurs with Executive.	Concurs with the Executive and Senate.	Maintains current law funding levels.
Sec. 24A - NEW Educating Pupils in Juvenile Justice Service Facilities	N/A	Appropriates \$3,000,000 in FY 2006-07 for payments to ISDs for pupils who are placed in juvenile justice service facilities operated by the Department of Human Service. Each ISD	Concurs with Executive, but adds clarification language stating that no program shall be transferred to a district or ISD without their consent.	Does not include the transfer. Funding is maintained in Department of Human Services budget.	Concurs with Senate.

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		would receive an amount equal to the state share of the costs clearly and directly attributable to the educational programs for pupils placed in these facilities located within the ISD's boundaries. The ISD receiving payments would cooperate with the DHS to ensure that the funding received is utilized by the DHS for such educational programs for these pupils.			
Sec. 24C – NEW Youth Challenge Program	N/A	Appropriates \$1,253,100 for FY 2006-07 for the Youth Challenge Program, formerly funded in the Department of Military and Veterans Affairs budget. The payment would go to Battle Creek Public Schools, which would contract with the DMVA to ensure that all funding received would be utilized by the DMVA for the Youth Challenge Program.	Concurs with Executive.	Does not include the transfer. Funding is maintained in Department of Military and Veterans Affairs budget.	Concurs with Senate.
Sec. 25a Payment to Educating District for Pupil who Moves During Year	Provides that, for a pupil that enrolls in a non-resident district after the count day pursuant to Sec. 6(6)(g), the educating district must report that information to the Department and the district that counted the pupil must pay a prorated portion of the foundation allowance to the educating district.	Changes the subsection reference from (6)(g) to (6)(f), which describes pupils or their families who have made official written complaints that the pupil has been the victim of a criminal sexual assault or other serious assault. The current law reference is incorrect.	Concurs with Executive.	Concurs with the Executive and Senate.	Concurs with Senate and House.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
Sec. 26a Renaissance Zone Reimbursement	FY 2005-06 appropriation of \$45,000,000 from Section 11 funds.	Appropriates \$37,650,000 from the School Aid Fund and \$12,550,000 from the General Fund for FY 2006-07. This represents a total increase of \$5,200,000.	Concurs with Executive on language and total amount of appropriation, but changes the split of funding between SAF and GF. The SAF appropriation is \$37,900,000 and the GF appropriation is \$12,300,000.	Concurs with the Executive.	Concurs with House.
Sec. 26b PILT Reimbursement	FY 2005-06 GF appropriation of \$2,400,000 to reimburse districts, ISDs, and community colleges for payment in lieu of taxes (PILT) obligations per PA 513 of 2004.	Continues the \$2,400,000 GF appropriation into FY 2006-07.	Concurs with Executive.	Concurs with the Executive and Senate.	Concurs with Senate and House.
Sec. 29 – NEW Declining Enrollment Grants	N/A	Appropriates \$50,000,000 for FY 2006-07 for declining enrollment grants to local districts (not charter schools) whose FY 2006-07 pupil membership is less than the 2005-06 membership, and the 2005-06 membership is less than the 2004-05 membership. If the district receives funding under Sections 6(4)(y) or 22d, then it would not be eligible for a grant under this section. The payment would be equal to the district's foundation allowance multiplied by the difference between the district's 3-year average pupil membership and the actual pupil membership. The allocation would be prorated if the funding is insufficient.	Appropriates \$100 as a place holder.	Not included.	Concurs with the Executive language and appropriates \$20,000,000 in FY 2006-07.

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Sec. 31a At-Risk Funding/Teen Health Centers	<p>(1) FY 2005-06 total appropriation of \$314,200,000.</p> <p>(6) Teen health centers are funded at \$3,743,000 out of the \$314.2 million.</p>	<p>(1) Increases the FY 2006-07 appropriation by \$5,150,000 to \$319,350,000.</p> <p>(6) Teen health centers funding is maintained at \$3,743,000.</p> <p>(7) New subsection allocating \$5,150,000 out of (1) for the state portion of the hearing and vision screenings described in Section 9301 of the Public Health Code. A local public health department shall pay at least 50% of the total cost of the screenings.</p>	<p>(1) Increases the FY 2006-07 appropriation by \$7,150,000 to \$321,350,000.</p> <p>(6) Funding is increased by \$2,000,000 to \$5,743,000 and name is changed to Child and Adolescent Health Centers. The number of years for grants is increased to 5 years beginning with the 2003-04 fiscal year. The additional funding is to be awarded to the 11 centers that received planning grants from the Department of Community Health in 2005 but for which operating funds were not available.</p> <p>(7) Concurs with Executive.</p>	<p>(1) Increases the FY 2006-07 appropriation by \$1,000,000 in school aid funds and \$5,150,000 in general funds to a total \$320,350,000.</p> <p>(6) Funding is increased by \$1,000,000 to \$4,743,000 and name is changed to Child and Adolescent Health Centers and they must work with DCH and LPH Departments on an avian flu plan.</p> <p>(7) Concurs with the Executive and Senate on the appropriation amount. Specifies the funding source as general funds. Also modifies language to allow for the department to determine form and manner to distribute the funding.</p>	<p>(1) Increases the FY 2006-07 appropriation by \$100,000 in school aid funds and \$5,150,000 in general funds to a total \$319,450,000.</p> <p>(6) Funding is maintained at \$3,743,000 and concurs with Senate on name change.</p> <p>(7) Concurs with Senate</p> <p>(8) Conference includes \$100,000 for Mercy education project.</p>

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Sec. 31C – NEW Children of Incarcerated Parents	N/A	N/A	Appropriates \$1,875,000 for 2006-07 for a pilot program designed to address the needs of pupils whose parent or parents are incarcerated. Eligible districts must have a free breakfast or lunch eligibility rate of 60% or more. A district shall receive a grant of \$75,000 (\$150,000 for Detroit) to provide video and/or audio conferencing as well as academic or social support from qualified personnel.	Not Included.	Concurs with Senate.
Sec. 31d(1) State School Lunch Program	Appropriates \$22,495,100 in state funds for FY 2005-06 to fully fund the State share of the school lunch programs as required by the <i>Durant</i> settlement. Also appropriates \$306,190,000 in federal funds for FY 2005-06.	Continues the FY 2006-07 state appropriation of \$22,495,100 into FY 2006-07 and increases federal funding by \$16,316,000 to \$322,506,000 to reflect current estimates.	Concurs with Executive.	Concurs with the Executive and Senate.	Concurs with Senate and House.
Sec. 31f School Breakfast	Appropriates \$0 for FY 2004-05 to reimburse districts for the cost of providing breakfasts.	Appropriates \$9,625,000 for FY 2006-07. This program was previously funded in the Department of Education budget, out of the General Fund. The funding source in the K-12 budget is School Aid Fund.	Concurs with Executive.	Concurs with the Executive and Senate.	Concurs with Senate and House.
Sec. 32 – NEW Great Start Early Childhood Programs	N/A	Adds a new section that provides a summed total of funding for various early childhood programs in sections 32b, 32c, 32d, 32j, and 32l. This section, funding the Great Start Early Childhood Programs, is similar to one that summed the earlier All Students Achieve Program. The total	Concurs with Executive except that FY 2006-07 funding from the SAF is reduced to \$91,000,000. General Fund is increased to \$12,950,000.	Not included.	Concurs with House.

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		funding shown in this section is \$112,400,000 from the SAF and \$12,700,000 from the GF.			
Sec. 32B – NEW Great Start Communities Grants	N/A	Allocates \$1,000,000 from Sec. 32 for competitive grants to ISDs for the creation of great start communities or other community purposes identified by the Early Childhood Investment Corporation. The ECIC must identify matching dollars before expending these funds. Grants will be awarded to eligible ISDs in amounts determined by the ECIC. To be eligible, the ISD must agree to convene local great start collaboratives to address the availability of physical health, social-emotional health, family supports, basic needs, economic stability and safety, parenting education and early education, and care to ensure all kids are ready for kindergarten.	Appropriates \$100 as a place holder.	Concurs with Executive language, however allocates \$0 for FY 2006-07 for competitive grants to ISDs. Adds additional language stating that no expenditures may occur until both of the following conditions have been met: a) ECIC has identified matching dollars of at least equal amount and b) ECIC must amend their bylaws to increase the executive committee to 19 members from 15. The Senate Majority and Minority Leaders, the Speaker of the House and the Minority Leader in the House each will appoint one member to the Executive Committee.	Concurs with House but allocates \$1,000,000 for FY 2006-07. Adds two reports requiring information on spending plans, funded activities, and grantees.
Sec. 32c. Early Childhood Grants	Appropriates \$250,000 General Fund for interagency early childhood grants for FY 2005-06.	Appropriates \$250,000 General Fund for FY 2006-07 out of Section 32. Also strikes "promote marriage" as a use of the grant and instead says "promote families". Changes the distributor of the grant from the state's interagency systems reform workgroup to the interagency director's	Concurs with Executive but increases General Fund appropriation to \$500,000. Retains current law. Concurs with Executive.	Appropriates \$2,000,000 in General Fund for FY 2006-07. Retains current law. Concurs with the Executive and Senate.	Appropriates \$1,750,000 in General Fund for FY 2006-07. Concurs with Senate and House. Concurs with Senate and House.

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		workgroup (with the children's trust fund).			
Sec. 32d School Readiness Allocations	Allocates \$72,600,000 for FY 2005-06 from the SAF to operate the Michigan School Readiness Program (MSRP) and \$200,000 from the General Fund to continue a longitudinal study of the MSRP. 1(b) Allows funds to be used for preschool and parenting programs under former section 32b (PIE program).	Increases the appropriation, and earmarks it from Sec. 32, by \$28,800,000 to \$101,400,000 for FY 2006-07, which would serve an additional 8,727 4-year-olds. Continues the study. 1(b) Strikes this subsection. (2) Adds clarification of an "age-appropriate educational curriculum" for programs funded to mean as described in the early childhood standards of quality for prekindergarten children adopted by the State Board.	Increases the appropriation by 10% to \$80,000,000 for 2006-07 from the SAF and earmarks it from Section 32. Also appropriates \$200,000 from General Fund. Retains current law. Concurs with Executive.	Allocates \$72,600,000 from SAF and \$200,000 in General Funds for FY 2006-07. Retains current law. Concurs with the Executive and Senate. However maintains "May" instead of "Shall".	Increases the appropriation by \$6,000,000 for FY 2006-07 to \$78,600,000 SAF and \$200,000 GF. Concurs with Senate and House. Concurs with Senate and House.
Sec. 37 Teacher & Paraprofessional Requirements	Sec. 37 For a school readiness program that subcontracts with a program provider, the teachers employed by that provider must possess a valid teacher certificate plus a child development associate credential (CDA) or an early childhood (ZA) endorsement, or a bachelor's degree in child development with a specialization in preschool training. Language allowing for persons with an associate's degree combined with a CDA to meet staffing requirements under certain conditions is eliminated.	Sec 37 Not included.	Sec. 37 Not included.	Sec. 37 Adds language for districts that are unable to comply with current teacher requirements for school readiness teachers to be able to hire individuals who have one or more of the following: a) a valid teaching certificate with an early childhood endorsement (ZA) or a child development associate credential (CDA), 2) a bachelor's degree in child care or child development, or 3) a child development credential (CDA) combined with an associate's degree in early childhood education.	Sec. 37 Allows for teachers and paraprofessionals in school readiness programs to continue employment under certain guidelines.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
Sec. 39 Per Pupil Allocation	Sec. 39. Per pupil allocation for school readiness students is \$3,300.	Sec. 39 Not included.	Sec. 39 Per pupil allocation is increased to \$3,400 from \$3,300.	Changes the paraprofessional requirement to allow a district to hire an individual who has completed at least 1 course in an appropriate training program, including, but not limited to, a CDA, an associate degree in child development program, or similar program. Sec. 39 Maintains current law.	Sec. 39 Concurs with House.
Sec. 32j ISD Parent Involvement Grants	Appropriates \$3,326,000 in FY 2005-06 in state funds to intermediate districts for competitive grants to provide programs to parents of children age 5 or younger to encourage early literacy, improve school readiness, reduce the need for special education services, and foster stable families. ISDs can receive up to 3.5% of their FY 2002-03 payments under Sec. 81. To qualify for funding the program must provide the following services; provide parents with information on child development, provide methods to enhance parent-child interaction, provide parents with examples of learning opportunities, promote access to community services, and promote marriage.	Increases the appropriation by \$6,674,000 to \$10,000,000 for FY 2006-07, and earmarks it from Sec. 32. Defines "early literacy" to mean "early mathematics and reading literacy". Refines two of the funding requirements to require the provision to parents of methods to enhance parent-child interaction and the provision of examples of learning opportunities "that promote age-appropriate language, math, and early reading skills.	Concurs with Executive. Concurs with Executive. Concurs with Executive; however, Senate adds language to the first provision to include "social/emotional development for infants and toddlers".	Maintains current law funding level of \$3,326,000 for FY 2006-07. Concurs with the Executive and Senate. Concurs with Senate.	Appropriates \$5,000,000 for FY 2006-07. Concurs with Senate and House. Concurs with Senate and House.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
	Current language requires grantees to demonstrate a collaboration of local entities involved in the programs.	Changes the provision that a program must "promote marriage" to receive funding to promoting "families".	Retains current law.	Retains current law.	Concurs with Senate and House.
Sec. 32k Before-or-after-school programs	\$0 appropriation for before- or –after-school programs to provide youth with a safe, engaging environment.;	Repeals the Section.	Retains current law at \$0 appropriation; however makes the allocation from Section 32 instead of from Section 11.	<p>Allocates \$1,000,000 from General Funds to before- or –after-school programs.</p> <p>The maximum grant award shall not exceed \$100,000 and one county can not receive more than 20% of the funds allocated under this program.</p> <p>Adds pregnancy prevention programs focused exclusively on abstinence.</p>	Retains current law.
Sec. 32l School Readiness Competitive Grant	FY 2005-06 appropriation is \$12,250,000 GF/GP for competitive school readiness program grants to entities other than local school districts.	<p>FY 2006-07 appropriation is maintained at \$12,250,000 GF and earmarked from Sec. 32. Clarification is added that the grants are for the purposes of preparing children for success in school, including language, early literacy, and early mathematics.</p> <p>(5) Exempts the grants from being paid according to Sec. 17b (11 payments).</p> <p>N/A</p>	<p>Concurs with Executive.</p> <p>Concurs with Executive.</p> <p>N/A</p>	<p>Concurs with the Executive and Senate.</p> <p>Concurs with the Executive and Senate.</p> <p>Changes the requirements for teachers and paraprofessionals to match the changes in Section 37.</p> <p>Allows for any grant recipient to be able to use its original funding level to provide either a half-day or full-day</p>	<p>Concurs with Senate and House.</p> <p>Concurs with Senate and House.</p> <p>Allows for teachers and paraprofessionals in school readiness programs to continue employment under certain guidelines.</p> <p>Concurs with House.</p>

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
Sec. 32M – NEW Book-a-Month Program	N/A	N/A	Appropriates \$1,000,000 for 2006-07 to award competitive grants to districts and ISDs to provide preschool children with a book each month from birth to age 5. Districts must provide local matching funds.	Not included.	Appropriates \$500,000 for 2006-07 to award competitive grants to districts and ISDs to provide preschool children with a book each month from birth to age 5. Districts must provide local matching funds.
Sec. 34 – NEW Early Intervening Model Program	N/A	N/A	Appropriates \$500,000 for 2006-07 for the first of a five-year grant program to develop an Early Intervening Program for grades K to 3. The program will instruct classroom teachers and support staff on how to monitor pupil's learning and how to provide specific support or learning strategies to pupils in order to reduce the need for special education placement.	Concurs with the Senate.	Allocates \$400,000 for grants under this program.
Sec. 34A – NEW Grades K-3 Math and Reading Literacy Program Grants	N/A	Appropriates \$10,000,000 in FY 2006-07 for competitive grants to eligible districts for math and reading literacy programs in grades K-3. Districts may submit applications for up to five elementary school buildings per application. Priority in funding will be for those districts with elementary buildings that did not achieve AYP for two of the last three school years due to student proficiency in math or reading. Also, priority shall be given to programs that reduce the # of pupils requiring special education programs and services,	Appropriates \$100 as a place holder. Also, this Section was numbered 34 in the Executive Recommendation.	Not included.	Concurs with House.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
		<p>improve standardized assessment scores in math and reading, can be replicated in other elementary schools around the state. Criteria are laid out for eligible programs, such as research-based, validated, structure, providing assessments, including continuous assessments, and being part of a local board-approved school improvement plan.</p> <p>Districts must provide at least a 20% local match from local public or private resources, and not more than ½ of the match may be satisfied through in-kind services. Districts awarded grants must set aside 1.5% of the award for data collection/evaluation, and not more than 5% of the grant award can be for administration. Each school building awarded a grant will receive no more than \$100,000. Funding is intended to be for the first year of three years of funding.</p>			
Sec. 35 – NEW Middle School Afterschool Programs in Math, Science, and Computer Technology	N/A	Appropriates \$15,000,000 for FY 2006-07 for competitive grants to eligible districts to implement, expand, or enhance middle school afterschool programs in math, science, and computer technology and to prepare students for a more rigorous high school	Appropriates \$100 as a place holder.	Not included.	Concurs with House.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
		<p>curriculum. Districts may submit applications for a maximum of five school buildings per application, and all students who attend those schools are eligible to attend the afterschool program. Priority in grants shall be given to districts with enrollment areas having 50% or more poverty rate, buildings with 30% or more students eligible for free or reduced lunch, buildings that did not achieve AYP in 2 out of the last 3 years due to proficiency in math or science, and buildings that are in consortium with at least one community-based organization. Eligible programs must operate at least 3 hours per day after school, five days per week during the school year. The programs must include an array of supervised services (e.g., tutoring and academic enrichment activities) and career pathway and postsecondary education guidance and counseling. If a building does not have 30% or more students eligible for free or reduced lunch, a 20% local match must be provided. Again, 1.5% of the grant must be for data collection and statewide evaluation. Limits are included for administration and tuition charged based on income.</p>			

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
Sec. 39a Federal Funds	(1) FY 2005-06 appropriations of \$652,919,600 in federal funds from the "No Child Left Behind" funds.	(1) FY 2006-07 revised appropriations of \$636,978,000 in federal "No Child Left Behind" funds. Reductions are seen in grants for Drug-Free Schools, Ed Tech, Comprehensive School Reform, Even Start, Innovative Strategies, and Community Service.	Concurs with Executive.	Concurs with the Executive and Senate.	Concurs with Senate and House.
	(2) and \$4,646,400 in other federal funds for education.	(2) and \$4,646,400 in other federal funds for education.	Concurs with Executive.	Concurs with the Executive and Senate.	Concurs with Senate and House.
Sec. 41 & 41a Bilingual Education	FY 2005-06 appropriations of \$2,800,000 in state funds for districts to provide bilingual education programs. Appropriates \$1,232,100 in federal Language Acquisition grants for the instruction of pupils with limited English speaking ability.	No recommended changes to appropriations in FY 2006-07.	Concurs with Executive.	Concurs with the Executive and Senate.	Concurs with Senate and House.
Sec. 51a(1) Total Special Education Funding	For FY 2005-06, allocates \$955,883,000 from state sources and \$345,850,000 in federal funding for special education programs.	Reduces the FY 2005-06 state appropriations by \$19,800,000 to \$936,083,000 to reflect current cost estimates.	Concurs with Executive.	Reduces the FY 2005-06 state appropriations by \$23,783,000 to \$932,100,000 to reflect current cost estimates.	Reduces the FY 2005-06 state appropriations by \$23,800,000 to \$932,083,000 to reflect current cost estimates.
	(7)(c) Allows unspent Sec. 51a funds at bookclosing to be allocated as additional reimbursements in certain situations for FY 2004-05 only.	Appropriates \$991,683,000 in State sources and \$350,700,000 in federal funding for special education programs for FY 2006-07. (7)(c) Eliminates one-time language.	Appropriates \$993,933,000 in State sources and \$350,700,000 in federal funding for special education programs for FY 2006-07. Concurs with Executive.	Appropriates \$991,582,100 in State sources and \$350,700,000 in federal funding for special education programs for FY 2006-07. Modifies subsection to allow reimbursement of funds at bookclosing to be allocated from the following subsections 51a(2), (3), (6), (8), and (12) and sections	Appropriates \$991,983,000 in State sources and \$350,700,000 in federal funding for special education programs for FY 2006-07. Concurs with House.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
				53a, 54, and 56 for FY 2005-06. NEW (15) Requires the FY2005-06 funding level for a grant to an ISD for Integrated Behavior and Learning Support to be at least the same amount.	Not included.
Sec. 51c Special Education Durant Payment	FY 2005-06 appropriation of \$690,200,000 to provide funding for costs associated with Durant settlement that guarantees districts 28.6138% of total approved costs of special education services and 70.4164% of total approved costs of special education transportation.	Reduces the FY 2005-06 appropriation by \$24,900,000 to \$665,300,000 to reflect current estimates. Appropriates \$706,800,000 in FY 2006-07.	Concurs with Executive. Appropriates \$707,400,000 in FY 2006-07.	Reduces the FY 2005-06 appropriation by \$27,900,000 to \$662,300,000 to reflect current estimates. Appropriates \$708,700,000 in FY 2006-07.	Concurs with House. Appropriates \$708,200,000 in FY 2006-07.
Sec. 51d Federal Special Education Funds	Appropriates \$65,000,000 in Federal special education grants for FY 2005-06.	Appropriates \$74,000,000 in Federal special education grants for FY 2006-07.	Concurs with Executive.	Concurs with the Executive and Senate.	Concurs with Senate and House.
Sec. 54a Lending Library	Appropriates \$250,000 for FY 2005-06 to establish a lending library at Central Michigan University to provide special needs assessment tools to districts and ISDs.	Continues the \$250,000 appropriation into FY 2006-07. Changes a "should" to a "shall" for the library to mail information about the services offered to all districts and ISDs.	Concurs with Executive.	Concurs with the Executive and Senate.	Concurs with Senate and House.
NEW Sec. 54b Conductive Learning Center	N/A	N/A	N/A	Appropriates \$150,000 to Michigan State University in conjunction with Aquinas College to evaluate the effects of conductive learning on children with cerebral palsy.	Concurs with House but increases the funding to \$250,000.
Sec. 56 Special Education Millage Equalization	Provides funding to ISDs to guarantee a minimal amount per Special Ed mill levied, on a per-pupil basis. FY 2005-06 appropriation of \$36,881,100 for millage equalization.	Adjusts FY 2005-06 per-pupil equalization amount to \$142,900. Appropriates \$36,881,100 for FY 2006-07.	Concurs with Executive. Concurs with Executive.	Concurs with the Executive and Senate. Appropriates \$36,881,100 for FY 2006-07.	Concurs with Senate and House. Concurs with House.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
	FY 2005-06 per pupil equalization dollar amount at \$142,100.	FY 2006-07 per pupil equalization dollar amount of \$150,900.	Concurs with Executive.	FY 2005-06 per pupil equalization dollar amount at \$142,900. FY 2006-07 per pupil equalization dollar amount of \$151,300.	Concurs with House. Concurs with House.
Sec. 57 Advanced and Accelerated Programs	Appropriates \$285,000 in FY 2005-06 for competitive grants to ISDs for middle school summer institutes and comprehensive programs for advanced and accelerated students. Each ISD could receive up to \$5,000, or could form consortia.	Updates the fiscal year to FY 2006-07 and changes the word "students" throughout to "pupils".	Concurs with Executive but retains the use of the term "students".	Concurs with Senate.	Concurs with Senate and House.
NEW Sec. 57a International Baccalaureate Grants	N/A	N/A	N/A	Appropriates \$500,000 for FY 2006-07 for five grants of up to \$100,000 each for development and start up cost.	Appropriates \$250,000 for FY 2006-07 for five grants of up to \$50,000 each for development and start up cost.
Sec. 61a Vocational Education	Appropriates \$30,000,000 for FY 2005-06 to support vocational education programs.	Continues the \$30,000,000 in FY 2006-07.	Concurs with Executive.	Concurs with the Executive and Senate.	Concurs with Senate and House.
Sec. 62 Vocational Ed. Millage Equalization	Provides funding to ISDs that levy Voc Ed mills to guarantee a minimal amount received per mill levied, on a per-pupil basis. FY 2005-06 appropriation is \$9,000,000. FY 2005-06 per-pupil equalization amount is \$151,200.	FY 2005-06 per-pupil equalization figure is changed to \$152,000. FY 2006-07 appropriation is \$9,000,000. FY 2006-07 per-pupil equalization amount is \$160,300.	Concurs with Executive. Concurs with Executive. Concurs with Executive.	Concurs with the Executive and Senate. Appropriates \$9,000,000 for FY 2006-07. FY 2005-06 per-pupil equalization amount is \$152,000. FY 2006-07 per-pupil equalization amount is \$160,500.	Concurs with the Executive and Senate. Concurs with House. Concurs with House. Concurs with House.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
Sec. 64 – NEW Health/Science Middle College Program	N/A	Appropriates \$5,000,000 in FY 2006-07 for grants to ISDs or Detroit Public Schools that are in consortium with a community college and a hospital to create and implement a middle college focused on health sciences. The middle college must provide outreach programs for info to middle and high school students about health field careers, individual education plans for each pupil enrolled in the program, curriculum that includes entry-level college courses and clinical rotations that provide opportunities to observe careers in health sciences. A "middle college" is defined as a series of courses and other requirements that allow a pupil to graduate with a high school diploma and a certificate or associate degree from a community college.	Appropriates \$100 as a place holder.	Not included.	Concurs with Executive recommendation, but funds the program at \$2,000,000. In addition, a state university is added as a possible partner with ISDs or Detroit Public Schools.
Sec. 65 – NEW Precollege Engineering and Science Grants	N/A in School Aid – previously appropriated in DLEG budget	Appropriates \$680,100 for FY 2006-07 for 2 grants to districts or ISDs for eligible precollege programs in engineering and the sciences. This program was previously funded in the DLEG budget at the same amount. The DLEG shall give preference in awarding the grants to eligible existing programs that received funds in the 2005-06 DLEG budget.	Concurs with Executive but increases appropriation by \$100,000 to \$780,100. Also, clarification language is added stating that the grants must be awarded to the two eligible existing programs that received funding appropriated in the DLEG budget for FY 2005-06 and that the additional \$100,000 must be awarded to the Kalamazoo Regional Education Service Agency.	Does not include the transfer. Funding is maintained in Department of Labor and Economic Growth budget.	Concurs with Senate.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
		The two areas that received this grant then were Grand Rapids and Detroit.			
Sec. 66 – NEW Identification and Development of Career and Technical Education Curricula	N/A	Appropriates \$1,000,000 in FY 2006-07 for grants to ISDs or consortiums of ISDs and community colleges to aid the DOE and the DLEG in identifying existing and developing new career and technical education curricula that incorporate the Michigan Merit core content standards and credit requirements. Any curricula, classroom materials, or professional development created using these grant funds must be made available to all districts.	Appropriates \$100 as a place holder.	Appropriates \$500,000 for FY 2006-07 and concurs with Executive language.	Not included.
Sec. 74 Bus Driver Safety	FY 2005-06 appropriation is \$1,625,000 to reimburse ISDs and universities for providing bus driver safety instruction.	Increases the FY 2006-07 appropriation to \$2,965,000 with the additional funding of \$1,340,000 earmarked for reimbursement to districts and ISDs for costs associated with the inspection of school buses by the MSP. The Dept of State Police shall prepare a statement of costs attributable to each district and submit to the DOE and to the district, and the DOE shall pay funds to the district for costs incurred, and the districts shall make payment to the MSP within 45 days of the reimbursement.	Concurs with Executive.	Concur with the Executive and Senate, however the funding source for school bus inspections is General Funds.	Concurs with Senate.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
Sec. 81(1) ISD General Operations Funding	FY 2005-06 appropriation is \$77,702,100 for basic operational funding of ISDs.	<p>FY 2006-07 appropriation is increased \$2,753,400 to \$80,455,500.</p> <p>FY 2006-07 operational funding to each ISD is 2.9% above the appropriated amount in FY 2005-06 (matching the % increase in the basic foundation allowance).</p> <p>NEW</p> <p>(2) In addition, from the new funds, \$500,000 is allocated for ISDs to collaborate with the DOE to develop expanded professional development opportunities for teachers to update and expand their knowledge and skills needed to support the Michigan Merit core content standards and credit requirements.</p>	<p>FY 2006-07 appropriation is increased \$3,103,400 to \$80,805,500.</p> <p>FY 2006-07 operational funding to each ISD is 3.3% above the appropriated amount in FY 2005-06 (matching the % increase in the basic foundation allowance).</p> <p>(2) Concurs with Executive except changes terminology to Michigan Merit Curriculum.</p>	<p>FY 2006-07 appropriation is maintained at the current law amount of \$77,702,100.</p> <p>Not included.</p> <p>(2) Not included.</p>	<p>FY 2006-07 appropriation is increased \$2,408,800 to \$80,110,900.</p> <p>FY 2006-07 operational funding to each ISD is 3.1% above the appropriated amount in FY 2005-06 (matching the % increase in the basic foundation allowance).</p> <p>(2) Concurs with Senate but no additional funding and instead states the intent of the Legislature for ISDs to provide this professional development.</p>
NEW Sec. 92 Medical-Themed High School	N/A	N/A	N/A	Appropriates \$100 for FY 2006-07 for a grant to Detroit public schools to establish a medical-themed high school in Detroit.	Not included.
Sec. 94a Center for Educational Performance and Information (CEPI)	<p>Appropriates GF of \$2,000,000 in FY 2005-06 to support the operations of the CEPI.</p> <p>Appropriates \$3,543,200 in FY 2005-06 from federal funds for Federal reporting requirements. Lists grants separately.</p>	<p>Appropriates \$4,500,000 GF in FY 2006-07 to support CEPI and "for the development and implementation of a comprehensive data management and student tracking system". Federal funds of \$3,543,200 are continued, with an elimination of the individual grants listed.</p> <p>The extra \$2,500,000 GF and existing \$1,500,000 in Federal funds are earmarked for the</p>	Concurs with Executive.	Maintains current law appropriations and language.	Concurs with Senate but the additional GF is \$350,000 rather than \$2,500,000.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
		comprehensive longitudinal educational data management and student tracking system. Language is eliminated requiring the CEPI to use Federal grants awarded for the development of the system before expending Sec. 94a funds.			
Sec. 98 Michigan Virtual University (MVU)	Appropriates \$1,750,000 GF to MVU in FY 2005-06 for operations of the Virtual High School and appropriates \$3,250,000 in Federal funds.	Appropriates \$525,000 SAF, \$2,750,000 GF, and \$3,250,000 Federal funds for operation of the MVHS, to provide professional development opportunities for educators, and other purposes. The MVHS itself is charged with the new task of providing online test preparation resources for pupils, using up to \$1,000,000 of the GF funding. The online resources will be web-based tools for the ACT and the revised MEAP exam, and will include practice tests, test-taking strategies, diagnostic tools, self-paced online instructional tutorials, and electronic feedback reports for students and schools. Of the Federal funds, \$2,250,000 is specifically allocated for professional development purposes, and the MVHS shall offer at least 200 hours of online PD for classroom teachers beginning in 2006-07 without cost to the teachers, districts, or ISDs. The remaining \$1,000,000 in Federal funds remains	Concurs with Executive.	Concurs with the Executive and Senate. Adds a new subsection (10) requiring activities funded under this section to include the use of scientific method to critically evaluate scientific theories.	Increases appropriation by \$1,000,000. Of this increase, \$500,000 GF is to be used for the for My Dream Explorer grant. The remaining \$500,000 SAF is to be used for web-based testing resources. Concurs with House.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
		earmarked for support of e-learning and virtual school initiatives. The \$525,000 SAF would be awarded as one grant to an ISD working with MVHS for a statewide license for My Dream Explorer, a career exploration and planning tool to be made available for all students at no cost.			
Sec. 98A – NEW MVHS Middle and High School Grants	N/A	N/A	Appropriates \$100 as a place holder for grants to districts and ISDs to support the enrollment of middle school and high school pupils in MVHS courses.	Not included.	Concurs with House.
Sec. 98b Freedom to Learn Program	FY 2005-06 appropriations of \$2,500,000 from Federal funds, and \$3,000,000 from unexpended Federal funds carried forward from FY 2003-04.	Continues carry-forward appropriations of \$3,000,000 in unexpended FY 2005-06 Ed Tech grants for FY 2006-07.	Concurs with Executive.	Concurs with the Executive and Senate appropriations and removes all references to Ferris State University and replaces it with fiduciary ISD or independent institute.	Concurs with House language. The appropriation is reduced from \$3,000,000 in unexpended Federal funds to \$1,500,000.
Sec. 98c - NEW Web Based Testing	N/A	N/A	N/A	N/A	Appropriates \$1,000,000 GF for online practice assessments and classroom remediation for up to 240,000 middle school students. A program eligible for a contract must have the ability to register pupils online, be accessible over the Internet, provide remedial service by linking textbooks, in the classroom, and report results to district superintendents, principals, parents, pupils, the Department, and teacher training institutions.
Sec. 99 Math and Science	FY 2005-06 state appropriations of	Increases the state appropriation by	Concurs with Executive.	Increases the appropriation by \$2,500,000 to	Increases the appropriation by \$1,000,000 to

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
Centers	\$2,500,000 and \$4,456,000 in Federal funds for the funding of 33 math and science centers throughout the state.	\$1,000,000 to \$3,500,000 and continues Federal funding of \$4,456,000. The additional \$1,000,000 is earmarked for those centers determined by the DOE as able to provide curriculum and professional development support to assist districts in implementing the Michigan Merit core curriculum components for math and science.		<p>\$5,000,000 and continues Federal funding at \$4,456,000.</p> <p>From the appropriation, \$1,000,000 is earmarked for those centers determined by the DOE as able to provide curriculum and professional development support to assist districts in implementing the Michigan Merit core curriculum components for math and science.</p> <p>Adds a new subsection (11) requiring activities funded under this section to include the use of scientific method to critically evaluate scientific theories.</p>	<p>\$3,500,000 and continues Federal funding at \$4,456,000.</p> <p>The entire \$1,000,000 appropriation is to be used for professional development, as specified by the Executive, Senate, and House.</p> <p>Concurs with House.</p>
Sec. 99b Engineering Michigan's Future - ISD Grants	<p>Appropriates \$3,850,000 in state funds for FY 2005-06. Each ISD receives an amount for each pupil actually enrolled and attending a constituent district in grades 6 to 8, estimated to equal \$10 per eligible student.</p> <p>Funding shall be used to improve pupil performance on the MEAP mathematics assessments and to help meet AYP requirements for mathematics.</p> <p>Includes intent language to continue the funding of this grant program in the future. Starting in FY 2006-07 funding would be awarded in one of two following</p>	Repealed.	Concurs with Executive.	<p>Increases current year funding levels by \$150,000 to a total of \$4,000,000 for FY 2006-07. Adds a focus on professional development.</p> <p>Changes the intent language to allow continuation of funding for this grant program in the future to begin in FY 2007-08.</p>	Concurs with Senate.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
	<p>ways:</p> <p>1) for pupils within each district that achieves the passage rate on mathematics assessments necessary to meet AYP.</p> <p>2) for pupils within each district that increases its passage rate on the mathematics assessments at least 10 percentage points as compared to the previous year passage rate.</p>				

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
Sec. 99C – NEW Engineering Michigan's Future - District Grants	N/A	N/A	N/A	<p>Appropriates \$30,000,000 in state funds for FY 2006-07.</p> <p>Each district would receive a per pupil amount for each pupil actually enrolled in grades 6 to 8, estimated to equal \$80 per eligible student.</p> <p>Funding shall be used to improve pupil performance on the MEAP mathematics assessments and to help meet AYP requirements for mathematics.</p> <p>Includes intent language to continue the funding of this grant program in the future. Starting in FY 2007-08 funding would be awarded one of two following ways: 1) if a district achieves the passage rate on mathematics assessments necessary to meet AYP. 2) if a district increases their passage rate on the mathematics assessments at least 10 percentage points as compared to the previous year passage rate.</p>	<p>Appropriates \$20,000,000 in state funds for FY 2006-07.</p> <p>Each district would receive a per pupil amount for each pupil actually enrolled in grades 6 to 8, estimated to equal \$54 per eligible student.</p> <p>Revised language to say that funding shall be used to improve pupil performance in mathematics.</p> <p>Revises the intent language to say that funding in subsequent years would be based on improved pupil performance in math, and that the Legislature intends to determine standards for qualify as improved performance by March 1, 2007.</p>
Sec. 99D – NEW Automated External Defibrillators	N/A	N/A	Senate substitute appropriates \$100,000 to provide grants to districts to purchase automated external defibrillators (AED). Districts must provide a 50% local match. Priority shall be given to districts with a high percentage of pupils eligible for free breakfast, lunch, or milk. Districts that already have	Concurs with Senate.	Concurs with Senate and House.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
			at least one AED in the district will not be eligible until all districts in the State have at least one AED per district.		
NEW Sec. 99E Academic Improvement Grant	N/A	N/A	N/A	<p>FY 2006-07 appropriation is \$100 to a district that meets all of the following requirements: a) membership has grown by at least 20% between 2004-05 and 2005-06; b) at least 60% of the pupils are eligible for free or reduced lunch; c) the district levies at least 10 debt mills; and d) the district had an emergency financial manager in place during 2004-2005.</p> <p>\$50 is allocated for operational funds for compensation for having received a reduced foundation allowance due to proration while having had an emergency financial manager in place.</p> <p>\$50 is allocated to the district for implementing an academic improvement plan. The plan should clearly state measurable goals and steps the district intends to take to improve the quality of the district's academic programs.</p>	<p>Concurs with House but appropriates \$125,000. This section is anticipated to apply only to Inkster Schools.</p> <p>This subsection is combined with the above language, since it pertains only to Inkster Schools.</p> <p>Not included.</p>

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
NEW Sec. 99F Exemplary Achievement Grants	N/A	N/A	N/A	FY 2006-07 appropriation is \$500,000 for two \$250,000 grants to districts who have displayed exemplary achievement. A district is eligible for a grant if it meets all of the following; a) the district is contiguous to at least 2 other districts that had a foundation allowance for 2005-06 that was at least \$1,000 greater than that district's foundation allowance, 2) on a per pupil basis, the district spends less than the statewide average on business and administrative costs and more than the statewide average on instruction, c) the district is making AYP, and d) the district is achieving significant student achievement as determined by the department. One measurement of achievement is the number of 11 th graders who took the MEAP and received qualifying results for the Michigan Merit award compared to the previous year 11 th graders.	Not included.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
Sec. 99F - NEW School Mapping	N/A	N/A	N/A	N/A	Appropriates \$350,000 for mapping of school buildings for the purposes of security. Specifies that \$105,000 goes to Clare Gladwin ISD, and that \$28,000 go to each of Jackson, Kalamazoo, Muskegon, and Menominee ISDs and to Garden City Schools. Finally, \$105,000 is allocated to distribute \$7,000 grants per school building in which an emergency situation has arisen within the last five years, or is identified by the Department and the State Police as likely to happen.
Sec. 99G - NEW Positive Behavioral Support Program	N/A	N/A	N/A	N/A	Appropriates \$300,000 to expand the school-based crisis intervention project (a program operated by Pontiac Schools.)
Sec. 99H – NEW	N/A	Appropriates \$2,000,000 in FY 2006-07 for competitive grants to districts that provide high school pupils with expanded opportunities to improve math, science, and technology skills by participating in the FIRST Robotics competition. Applicants must have established a partnership with at least one sponsor, business entity, higher education institution, or technical school, and provide at least a 50% match from other private or local funds.	Not included.	Not included.	Concurs with Executive on language; appropriates \$150,000.
Sec. 101 Hours of Instruction,	Requires districts to provide 1,098 hours of instruction.	For a district granted a waiver to the minimum	Concurs with Executive but changes the number of	Concurs with Executive.	Concurs with Senate.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
Alternative Scheduling, 75% Attendance	Also, a district not having at least 75% of the kids in membership on any given day shall lose state in proportion of 1/180 applied to the percentage of kids in attendance. Provisions are included for waivers to the 75% rule for certain alternative programs. Provides for waivers to the minimum number of hours of pupil instruction for a department-approved alternative education program. Up to 30 hours may count as "snow hours".	number of hours required of an alternative education program, if the district does not comply with the terms of the waiver, the amount of the school aid payment forfeiture (for those hours scheduled for instruction but not actually provided) shall be calculated based upon a comparison of the number of hours actually provided to the minimum instructional hour requirement specified in this section.	hours of professional development that can be counted as hours of instruction from 51 to 38. Language is added stating that districts with union contracts permitting the use of up to 51 hours of professional development as hours of instruction can continue to do so until those contracts expire.		
Sec. 104 – NEW Assessment Funding	N/A for K-12 budget Previously, funds supporting state assessments were appropriated in the Department of Education budget using Merit Award Trust Fund dollars.	For FY 2006-07, appropriates \$19,500,000 from the SAF for reimbursement of costs associated with complying with Sections 104a and 104b of the Act, and sections 1279 and 1280b of the Revised School Code. Also appropriates \$8,425,164 in Federal assessment funding for the purposes of complying with Federal NCLB Act. Requires that test results include item analyses that list all items counted for student scores and the percentage of students choosing each possible response.	Concurs with Executive.	Concurs with the Executive and Senate.	Concurs with Senate and House.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
Sec. 105 and 105c Schools of Choice	Allows districts to operate a schools of choice program with districts within the same ISD (Sec. 105) or with a contiguous school district outside of their resident ISD (Sec. 105c).	No change to current law.	Adds a new subsection. (10) Senate adds a new subsection to both Sections 105 and 105c stating that if a district enrolls and counts a nonresident pupil in membership under the schools of choice provisions, the district must continue to enroll that pupil regardless of the pupil having been suspended or expelled from another district prior to the pupil being enrolled and counted in membership in that nonresident district.	Maintains current law.	Concurs with Senate.
Sec. 107 Adult Education Appropriation	<p>Appropriates \$21,000,000 in SAF for Adult Education programs for FY 2005-06.</p> <p>Payment is based 90% on enrollment and 10% on completion of the program.</p>	<p>FY 2006-07 appropriations of \$25,000,000.</p> <p>Payment would be based 75% on enrollment and 25% on completion of the program.</p>	<p>Concurs with Executive on increase of \$4,000,000 in funding for FY 2006-07</p> <p>Retains current law on percentages for enrollment and completion.</p> <p>In addition, the Senate substitute adds new language stating that the additional \$4.0 million must first be used for new programs and any remaining funds to be allocated equally among existing and new programs.</p>	<p>Appropriates \$25,000,000 for FY 2006-07 an increase of \$4,000,000.</p> <p>From the additional funding \$2,000,000 is to increase current programs to 115% of their 2005-06 allocation.</p> <p>Concurs with Executive.</p> <p>Allocates \$2,000,000 for new adult education programs. From the \$2,000,000 there will be 3 grants awarded at \$200,000 each for innovative community college grants</p>	<p>Appropriates \$24,000,000 for FY 2006-07 an increase of \$3,000,000.</p> <p>From the additional funding \$1,500,000 is to increase current programs to 107.5% of their 2005-06 allocation.</p> <p>Maintains current law regarding percentages for enrollment and completion.</p> <p>Allocates \$1,500,000 for new adult education programs. From the \$1,500,000 there will be not more than 1 grant awarded up to \$200,000 for an existing innovative community college program.</p>

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
Sec. 121 Taxable Value of a District	Provides that the valuation of a district shall be the total taxable value of the property contained in the district. Adjustments can be made for state tax tribunal decisions, court decisions, local board of review adjustments, lands deed to the state, and other requirements in the Act. Adjustments shall not be made for more than 6 years before the adjustment, except for tax tribunal or court decisions.	Adds to the taxable value of a district or ISD the value of property used to calculate the state payment in lieu of tax (PILT) on state purchased property.	Concurs with Executive.	Concurs with the Executive and Senate.	Concurs with Senate and House.
Sec. 147 Public School Employees' Retirement Rate	Estimates the FY 2005-06 rate to be 16.34%.	Estimates the FY 2006-07 rate to be 17.74%, an increased of 1.40 percentage points.	Concurs with Executive.	Concurs with the Executive and Senate.	Concurs with Senate and House.
Sec. 161a False Reporting of Sec. 6(6)(g) Pupils	Allows a court to order a person, who intentionally lied about moving to a different district in order for the pupil to be enrolled in a district other than the district of residence (under Sec. 6(6)(g)), to pay the pupil's district of residence the school aid it would have received if the pupil had been counted in its membership.	Changes the reference in this section to the correct Sec. 6(6)(f).	Concurs with Executive.	Concurs with the Executive and Senate.	Concurs with Senate and House.
Sec. 167 Immunization Status	Provides guidelines on the reporting of immunization status. Includes a waiver from certain reporting requirements for FY 2005-06 only for pupils who relocated to Michigan due to Hurricane Katrina.	Eliminates the FY 2005-06 provisions for Hurricane Katrina pupils.	Concurs with Executive.	Concurs with the Executive and Senate.	Concurs with Senate and House.
Enacting Section 1 State Spending and Payments to Locals	N/A	Total state spending for FY 2006-07 is estimated at \$11,706,277,800 and payments to locals are \$11,582,641,800.	Total state spending for FY 2006-07 is estimated at \$11,703,853,800 and payments to locals are \$11,558,417,800.	Total state spending for FY 2006-07 is estimated at \$11,691,116,400 and payments to locals are \$11,545,680,400.	Total state spending for FY 2006-07 is estimated at \$11,308,027,200 and payments to locals are \$11,285,376,300.

SECTION	CURRENT LAW	EXECUTIVE RECOMMENDATION	SENATE PASSED	HOUSE PASSED	CONFERENCE
Enacting Section 2 Repeals Sections Upon Enactment	N/A	Sec. 8a -District report by Dec. 1 of average pupils per class in grades K-3; Sec. 31b – Intent language to reimburse districts and ISDs the actual costs of educating developmental kindergarteners; Sec. 33 - Detroit Schools' Transition Grant - \$7.0 million; Sec. 99b – \$3.85 million Middle School Math Initiative; Sec. 105a –Requires a district not operating all grades K-12 to provide transportation for a pupil attending a different district in a grade not offered by the resident district; Sec. 166 – Penalizes a district in which family planning drugs or devices are distributed or prescribed, or in which referrals for abortions are made, 5% of its total state aid.	Sec. 31b – Intent language to reimburse districts and ISDs the actual costs of educating developmental kindergarteners; Sec. 33 - Detroit Schools' Transition Grant - \$7.0 million; Sec. 99b – \$3.85 million Middle School Math Initiative; Sec. 105a –Requires a district not operating all grades K-12 to provide transportation for a pupil attending a different district in a grade not offered by the resident district;	Sec. 31b – Intent language to reimburse districts and ISDs the actual costs of educating developmental kindergarteners; Sec. 33 - Detroit Schools' Transition Grant - \$7.0 million; Sec. 105a –Requires a district not operating all grades K-12 to provide transportation for a pupil attending a different district in a grade not offered by the resident district;	Concurs with Senate.
Enacting Section 3 Immediate Effect	N/A	Sections 11, 15, 22a, 22b, 22e, 34, 35, 51a, 51c, 56 and 62 take immediate effect.	Sections 11, 15, 22a, 22b, 51a, 51c, 56 and 62 take immediate effect.	Sections 11, 15, 22a, 22b, 51a, 51c, 56 and 62 take immediate effect.	Concurs with Senate and House.
Various Sections throughout the Act.	N/A	Changes references from FY 2005-06 to FY 2006-07 throughout the bill.	Concurs with Executive.	Concurs with the Executive and Senate.	Concurs with Senate and House.